

CLARK COUNTY COMBINED SPECIAL PURPOSE DISTRICTS
Clark County, Washington
January 1, 1991 Through December 31, 1993

Schedule Of Findings

1. Clark County Fire District No. 11 Should Improve Its Cash Receipting Procedures

During our audit of the district's internal controls, we found the following cash receipting weaknesses:

- a. The district does not always write cash receipts for money received.
- b. The district uses rediform receipts instead of official preprinted, prenumbered receipts.
- c. The district secretary usually performs all aspects of the cash receipting process.

RCW 43.09.200 states:

The state auditor . . . shall formulate, prescribe, and install a system of accounting and reporting . . . The system shall exhibit true accounts and detailed statements of funds collected, received and expended . . . The accounts shall show . . . all receipts . . . and other documents kept, or required to be kept, necessary to isolate and prove the validity of every transaction

Without adequate controls over cash receipting and reporting, there is no assurance that all receipts are properly deposited and that accounting records are accurately prepared. Use of unofficial rediform receipts provides little control over receipts as receipt form numbers can be duplicated.

The district officials apparently did not recognize the need for strong controls and, accordingly, have not placed high priority on implementing improvements to their receipting system.

We recommend that the district:

- a. Write receipts for all funds received.
- b. Obtain and exclusively use preprinted, prenumbered receipts.
- c. Perform supervisory review of the cash receipting process.